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|----------|----|---------|----|---------|----|----------|----|-----------|----|-----------|----|------------|----|
| STANFORD | 27 | BEARS | 20 | IDAHO | 26 | COLGATE | 12 | PRINCETON | 13 | TENNESSEE | 13 | NOTRE DAME | 14 |
| OREGON | 16 | UCLANS | 7 | GONZAGA | 12 | COLUMBIA | 0 | PENN. U. | 0 | ALABAMA | 0 | ILLINOIS | 6 |
| STATERS | 13 | TROJANS | 19 | PURDUE | 6 | ARMY | 20 | YALE | 9 | TULANE | 26 | PITTSBURG | 26 |
| HUSKIES | 6 | COUGARS | 6 | FORDHAM | 6 | HARVARD | 17 | NAVY | 7 | RICE | 17 | WISCONSIN | 6 |

The Weather

Forecast: Fair today and tomorrow; little change in temperature.
 Temperature
 Highest yesterday 43
 Lowest yesterday 43

MEDFORD MAIL TRIBUNE

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Thirty-Third Year

MEDFORD, OREGON, SUNDAY, OCTOBER 16, 1938.

NO. 177.

SPECIAL TAX FOR ARMS PROPOSED

The Capital Parade

By Joseph Alsop and Robert Kintner

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NEW DEAL'S LEADING UTILITY FOR FALLS IN LINE.
 HEAD OF ELECTRIC BOND & SHARE MAKES PEACE WITH SEC.
 PLAN OF INTEGRATION TO BE FILED BEFORE DECEMBER
 NEW HOPE SEEN FOR GOVERNMENT-BUSINESS AMITY.

WASHINGTON, Oct. 14.—No recent domestic event has been more significant than the announcement by C. E. Groesbeck, chairman of the Electric Bond and Share, that his vast utility system would file a plan of integration with the SEC before December 1. The announced action may be technical, but the announcement's meaning is that we may now hope for a reasonable peace between government and business.

Groesbeck in the peace-maker's role is a truly dumbfounding phenomenon. The Electric Bond and Share, which is the biggest power combine in the country, was the first company in the minds of Tom Corcoran and Ben Cohen when they made "Down with Scattering" the slogan of the utilities holding company act. Electric Bond and Share was the first company to be chosen for government prosecution under that act. It was the most determined member of the famous utilities united front against the government. In fact, it was the New Deal's most conspicuous enemy in the industry most conspicuously at odds with the New Deal.

And yet the chairman of Electric Bond and Share not only declared that his company would comply in full with the New Deal law. He spoke for "realism." And he virtually borrowed the exact language of a leading New Dealer, SEC Chairman William O. Douglas, when he remarked that "this matter should now pass from the emotional stage, and it is to be hoped from the political arena as well, into a practical stage where the securities and exchange commission and the affected companies can proceed with an orderly and dispassionate examination of the technical, legal and business phases of the subject."

It is interesting to compare the Groesbeck statement with what Douglas told Groesbeck and other heads of utilities systems about a year ago, when he first called them in to discuss practical application of the holding company act. Then the members of the SEC were primarily convinced of the virtues of the holding company act, the important thing was not anyone's feelings about the law, but the administration of it.

"It's the SEC's job to enforce the law," he said. "We propose to do so. At the same time, we can promise fair and reasonable treatment under the law to the utilities. We believe it's time to take the problem out of the political and emotional field, and into the administrative."

The transition between the Groesbeck who heard those words, who was apparently unshakably determined never to give in "on principle," and the Groesbeck who echoed the same words the other day, is about as great as one could imagine. Yet the transition seems to have been made by the most natural possible process.

After his first meetings with the utilities' leaders, Douglas had two subsequent talks with Groesbeck. Each was general. In each, Douglas emphasized the same points. Groesbeck did not demand and Douglas did not offer any extra inducements, such as some large business men have asked and received from the New Deal when they came to the mountains' bench. Indeed, Groesbeck gave no intimation that he was convinced by Douglas.

SPENDING SPURT IN WAKE OF PLAN FOR NEW DEFENSE

Baruch Backs Preparedness Costs—Speed Up Recovery—America Comes To Fore.

By R. H. Hippelheuser
 NEW YORK, Oct. 15.—(AP)—Bernard M. Baruch, in an interview today in which he amplified his views on building America's defense forces, advocated a special tax to meet the cost of increased armaments.

"The tall, white-haired financier—who, as chairman of the war industries board, was in charge of mobilizing the nation's industry in the World War—said the levy "should be heavy enough to meet the cost of preparedness, whatever the cost may be."

"We should not pile the burden of paying for these armaments on to the shoulders of coming generations," Baruch contended. "We should pay the bill ourselves. Of course, I believe, should enact whatever form of levy I think best to pay for the new expenditures."

"I am not prepared, nor is it my business, to say how all of this money shall be raised. All of it may not have to be raised by taxation. But certainly we must provide for interest and amortization of the cost."

"Some of the expense possibly can be met by transferring expenditures from PWA and WPA to the defense program. This would give great numbers of people employment instead of relief."

"The cost of building up our national defenses will be high, undoubtedly several billions of dollars before it is through, but it is a price we must pay if we are going to make the voice of America a voice of authority in world affairs. The aggressive nations of the world pay heed to only one thing—force and might."

"We should build only for defense, but we should build to such an extent that the aggressive nations will know we are prepared to defend our political and economic ideals against all odds."

U. S. A. To Fore
 (By the Associated Press)
 The United States advanced to the fore of the international picture (yesterday) Saturday with broad rearmament plans of sweeping ramifications.

Business leaders in New York estimated the program, embracing the dual aim of strengthening defenses and accelerating business recovery, would stimulate industrial spending of at least \$5,000,000,000 additional during the next 15 months.

President Roosevelt's announcement Friday the United States was re-examining its entire defense setup was followed by Washington dispatches mentioning \$1,000,000,000 as the total contemplated addition to the budget for rearmament.

Score Hurt In Refinery Blaze



A raging fire, which destroyed millions of gallons of gasoline, kerosene and other oils, left a score of men injured at Linden, N. J., when flames were finally subdued by chemicals. Some 1,500 firemen from five nearby cities joined in the fight at the Cities Service "tank farm." Loss was estimated at more than \$1,000,000. Above: One of the tanks billowing flame and smoke at peak of conflagration.

TUMBLING PRICES CUT INCOMES OF OREGON FARMERS

Northwest Producers Far Behind, Statistics Show, For First Six Months.

WASHINGTON, Oct. 15.—(AP)—Tumbling prices shriveled farmer incomes in the Pacific northwest states this year.

Agriculture department figures showed today the farmers of Washington, Oregon, Idaho and Utah runnings millions of dollars behind 1937.

Official estimates placed receipts from crops, livestock and benefit payments at \$179,402,000 during the period January to August of this year, compared with \$235,482,000 in the same period of 1937.

A similar condition prevailed throughout all the western states, with total income dropping to \$4,614,000,000 from \$5,350,000,000 in 1937.

The department found dwindling receipts from wheat, truck crops, potatoes, apples, dry edible beans contributed most heavily to the reduction in income.

The income of Washington farmers for the eight month period of this year was reported as \$86,816,000, compared with \$99,546,000 for the same period of 1937. Of this, \$23,338,000 came from the sale of crops, \$39,503,000 from livestock and livestock products, and \$1,975,000 from benefit payments. During the eight months of 1937, the receipts from these sources were \$54,994,000, \$11,727,000, and \$2,825,000, respectively.

Oregon farmers received \$49,072,000—\$13,205,000 from crops, \$33,554,000 from livestock and livestock products, and \$2,313,000 from benefit payments—during the January-August period of 1938, compared with \$65,345,000 for the corresponding period of 1937. The 1937 receipts included \$27,088,000 from crops, \$36,918,000 from livestock and livestock products, and \$2,239,000 from benefit payments.

CITY JITTERY AS FEAR FELT HUNT, CULBERTSON LOST

But Plane Travellers Found Safe And Sound, After Much Anxiety.

SAN FRANCISCO, Oct. 15.—(AP)—Three Oregon aerial travelers arrived at the San Francisco airport today (10:35 a. m.) much surprised that they had caused anybody worry over their delayed arrival from Medford.

Thomas Culbertson, manager of the Medford airport, said he and George A. Hunt, theater operator, and Gordon Craddock, of Portland, motion picture distributor's agent, had stopped over night at Eureka after stormy weather forced them to abandon the valley airmiles into California.

"Gosh, we're all right," Culbertson said. "We stayed over at Eureka, saw a high school football game last night, and here we are to see the Stanford-Oregon football game at Palo Alto today."

Culbertson said the trio would fly to Medford tomorrow morning.

Failure of Tommy Culbertson to report his landing at Eureka caused a serious commotion here yesterday morning as word was spread around that the Medford men were missing.

Employees of the Hunt theaters congregated at the Mail Tribune office to await definite word on the fate of the fliers, hoping for the best but fearing the worst.

King was accused of testifying falsely in connection with a note and mortgage involving an estate which he was handling, and Harcombe was alleged to have stolen funds and forged endorsements to two checks. Harcombe pleaded innocent and King will plead Monday.

King was cited by Darius Wickwire, executor of an estate. The attorney was charged with testifying that another person bought a mortgage for \$2,000 and sold it for \$3,234. This statement was alleged to be false. Harcombe was alleged to have forged the name of John W. Dickson on a \$800 check made out to him and Dickson and the name of Albert Lutkins to a \$340 check.

GERMANIC GROWS LOSES ITS HOME

OAKLAND, Cal., Oct. 15.—(AP)—Ousting of the German American Bund from its quarters in the Germa House, long-established center of Germanic groups, because of "un-American activities and propaganda," was announced tonight by the house manager, George Englebart.

"They have been making trouble for some time," Englebart said, "and have been especially cocky since Hitler went into Czechoslovakia."

The manager asserted the local Bund group, comprising from 200 to 300 members, had been wearing black shirts, Sam Brown belts, drilling regularly with rifles, and "locking forward to the time when they will take over control of the United States government."

L.A. Civil Service Manager Arrested



Glenn G. Gravatt, 39, general manager of the Los Angeles city civil service commission, was arrested and arraigned on charges of falsifying civil service examination papers and given until October 18 to enter a plea. He was arrested and released on \$5,000 bond in the city department "clean-up" campaign of the new mayor, Fletcher Bowron. Gravatt is shown as he left his jail cell.

ROOSEVELT TALK FROM HYDE PARK STIRS DEMOCRATS

Radio Speech On Nov. 4 For New York Voters But Covers All.

(By the Associated Press.)
 Candidates for office in the November elections, many of them battling it out on strictly New Deal issues, speculated today on the probable substance of a pre-election radio address to be given by President Roosevelt.

A White House announcement said the president would speak as a voter of the state of New York, probably on the evening of November 4, from his home in Hyde Park. The announcement added, however, that the president's remarks "will be sufficiently extensive in range to interest the nation as a whole."

The president already has expressed approval of the New York Democratic slate, headed by Governor Herbert H. Lehman.

Other developments on the political front:
 At South Bend, Charles A. Halleck, Republican representative from Indiana, contended in a radio address that the only hope for youth to regain economic opportunities was in a "reversal of the disastrous policies in Washington, the ineffectual Ditt of the New Deal."

Sen. (R-Pa.) said in a statement, "Corruption in the administration of relief, and rampant spoilsmanship in the departmental services are eating away the substance of the people."

BULLETIN

PORTLAND, Ore., Oct. 15.—(AP)—Oregon and Oregon State football teams battled to a scoreless tie in one of their "varsity preview" games here tonight.

Oregon lost a touchdown and victory in the last minute of play when Caten, the Ducks' backfield ace, took a punt on his own 43 and ran over the goal line. The play was wiped out by an Oregon off-side infraction.

Both teams threatened. In the last quarter the Ducks crowded down to the Oregon 4-yard mark but were held. Previously, in the second period, the Ducks' penetrated to Oregon State's 8 but the attack was nipped by Busch of the Ducks, who intercepted a pass on the three and wended his way clear out to the 48 before somebody floored him from behind.

Northern California: Fair Sunday, slightly cooler in interior, with light local showers; strong northwest wind off coast decreasing tonight.

Outlook far western states October 17-22, inclusive: Fair and normal temperatures but rain in Pacific Northwest middle of week.

OREGON KNOCKED FROM COAST LEAD BY STANFORD WIN

Indians Score On Passes, Blocked Punt And Drive After Webfeet Cut Gain.

STANFORD UNIVERSITY, Cal., Oct. 15.—(AP)—Stanford's football Indians knocked the Oregon university team out of leading position in the Pacific Coast conference championship race today with a surprising 27-18 score.

The red-jerseyed Indians had 66 come from behind twice to overcome leads piled up by the swift-rolling Oregonians, who piled up the big total of 238-yard net gained on running plays. Stanford made only 75 yards on ground plays, but scored touchdowns on two passes, a blocked punt and a drive through Oregon's line.

Oregon started with a rush that showed the northerners were intent on gaining their first victory in the Stanford stadium.

Early Score.
 With the game only barely started, Emmons, Webfoot's fullback, cracked Stanford's right tackle and plunged 37 yards to cross the Stanford goal without a Redshirt getting near him. Lance poked the adding machine key with a trust toe, and Oregon was out in front by 10 points. It looked like a field day.

Stanford came back with a rush, however, and after Gebhardt kicked out of bounds near midfield, Paulman passed to Stockovich some 28 yards, the Stanford end taking the ball on about the Oregon 30 and streaking a zig-zag course over the goal line.

Score In Hurry.
 Paulman missed the kick, but Stanford came back to score again in short order. Paulman, redshirt quarterback, jumped high to grab an Oregon pass on the Greenhairs' 54. After a couple of line jobs, Paulman shot a touchdown pass to Graf, substitute end, who had an easy jaunt some 15 yards over the goal line. Paulman's second goal kick was okay, and the Indians were out in front for a time.

Oregon started the second half with a rush much like that which opened the game. Taking the kickoff on the 57-yard marker, Gebhardt raced back 27 yards. Stenstrom and Gammon, substitute backs, tore off consistent yardage on running plays, helped by another 33-yard dash by the elusive Gebhardt. Passing from Stanford's 6, Gammon landed one in the arms of Resigato, who took a step over the goal line.

The northern commander reported that its anti-guerrilla campaign, now weeks old, had reduced communist hit-and-run fighters, organized around the famous eighth army, to impotence.

The Yangtze invaders were reported within 80 miles by river of Hankow. The Chinese said today that their shore batteries in that sector, southeast of Hankow, had sunk a Japanese munitions transport.

The Yangtze river fighting was in but one sector of a vast front.

POST BAIL SOON TO FREE ROSSER

PORTLAND, Oct. 15.—(AP)—Bail of \$25,000 has been posted for Al E. Rosser, former Oregon AFL-Teamster union chief under sentence for participation in the burning of a Salem box factory, with Circuit Judge Frank Peters of Washington county.

It was posted by Rosser's attorneys. Rosser faces trial there on charges of destruction of personal property. Charles W. Robinson, labor attorney who made the announcement, today said the next move would be to post bail in Polk county where Rosser was under conviction, and in Multnomah county where he was accused of sundry misdemeanors. Bail in those two counties had been set at \$25,000 and \$15,000, respectively. Rosser is present in a Dallas hospital suffering from a stomach ailment.

FAIR AND NORMAL FOR COMING WEEK

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